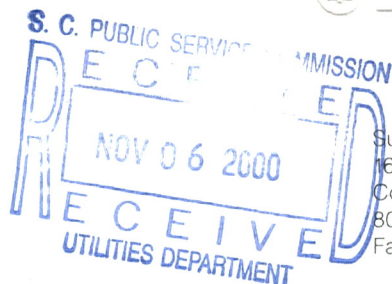


Caroline N. Watson
General Counsel-South Carolina



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November 3, 2000



The Honorable Gary E. Walsh
Executive Director
Public Service Commission of SC
Post Office Drawer 11649
Columbia, South Carolina 29211

2000-516-C

Re: Petition of Adelphia Business Solutions of South Carolina, Inc. for Arbitration with BellSouth Telecommunications, Inc. Pursuant to Section 252(b) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996

Dear Mr. Walsh:

Enclosed for filing please find the original and fifteen copies of BellSouth Telecommunications, Inc.'s Response to Petition of Adelphia Business Solutions of South Carolina, Inc. for Arbitration and New Issue in the above-referenced matter.

By copy of this letter, I am serving this Response upon all parties of record.

Sincerely,

C.N. Watson

Caroline N. Watson

CNW/nml

Enclosure

cc: Florence P. Belser, Esquire
Faye A. Flowers, Esquire
Michael L. Shor, Esquire
John Glicksman

POSTED
NOV 11-6-00**BEFORE THE
SOUTH CAROLINA PUBLIC SERVICE COMMISSION**

Petition of)
)
 ADELPHIA BUSINESS SOLUTIONS)
 OF SOUTH CAROLINA, INC.)
)
 For arbitration with BellSouth)
 Telecommunications, Inc. Pursuant to)
 Section 252(b) of the Communications)
 Act of 1934, as amended by the)
 Telecommunications Act of 1996)

Docket No. _____



BELLSOUTH TELECOMMUNICATIONS, INC.'S RESPONSE TO
PETITION OF ADELPHIA BUSINESS SOLUTIONS OF
SOUTH CAROLINA, INC. FOR ARBITRATION AND NEW ISSUE

In accordance with 47 U.S.C. § 252(b)(3), BellSouth Telecommunications, Inc. ("BellSouth") submits this Response to the Petition for Arbitration filed by Adelphia Communications, LLC ("Adelphia") pursuant to the Telecommunications Act of 1996, 47 U.S.C. § 251, et seq., 110 Stat. 56 ("the 1996 Act").

INTRODUCTION

Sections 251 and 252 of the 1996 Act encourage negotiations between parties to reach voluntary local interconnection agreements. Section 251(c)(1) requires incumbent local exchange companies to negotiate the particular terms and conditions of agreements to fulfill the duties described in §§ 251(b) and 251(c)(2-6).

Since passage of the 1996 Act on February 8, 1996, BellSouth has successfully conducted negotiations with numerous competitive local exchange carriers ("CLECs") in South Carolina. To date, the South Carolina Public Service Commission ("the Commission") has approved 263 agreements between BellSouth and certified CLECs. The nature and extent of

those agreements vary depending on the individual needs of the companies, but the conclusion is inescapable: BellSouth has a strong record of embracing competition and displaying a willingness to compromise to interconnect on fair and reasonable terms. BellSouth has been negotiating the terms of a new interconnection agreement with Adelphia in South Carolina since May 4, 2000. Although the parties reached agreement on a number of issues, many issues remain unresolved. As a result, Adelphia filed the Petition for Arbitration ("Petition") on October 11, 2000.

Pursuant to the 1996 Act, when parties cannot successfully negotiate an interconnection agreement, either may petition a state commission for arbitration of unresolved issues between the 135th and 160th day from the date a request for negotiation was received.¹ The petition must identify which issues have been resolved through negotiation, as well as those that remain unresolved.² Along with its petition, the petitioning party must submit "all relevant documentation concerning: (1) the unresolved issues; (2) the position of each of the parties with respect to those issues; and (3) any other issue discussed and resolved by the parties."³ A non-petitioning party to a negotiation under this section may respond to the other party's petition and provide such additional information as it wishes within twenty-five days after the state commission receives the petition.⁴ The 1996 Act limits the state commission's consideration of any petition (and any response thereto) to the unresolved issues set forth in the petition and in the response.⁵

¹ 47 U.S.C. § 252(b)(2).

² See generally, 47 U.S.C. §§ 252 (b)(2)(A) and 252 (b)(4).

³ 47 U.S.C. § 252(b)(2).

⁴ 47 U.S.C. § 252(b)(3).

⁵ 47 U.S.C. § 252(b)(4).

Through the arbitration process, the Commission must decide the unresolved issues that are properly set forth in the Petition and this Response to ensure that the requirements of Sections 251 and 252 of the 1996 Act are met. The obligations contained in those sections of the 1996 Act are the obligations that form the basis for negotiation and, if negotiations are unsuccessful, also form the basis for arbitration. Issues or topics not specifically related to these areas are outside the scope of an arbitration proceeding. Once the Commission has provided guidance on the unresolved issues, the parties must incorporate those resolutions into a final agreement to be submitted to the Commission for approval.⁶

BellSouth submits the following responses to the individual paragraphs of the Petition:

PARTIES

1. BellSouth admits that Adelphia is certified to provide local exchange service in South Carolina and is a “telecommunications carrier” and “local exchange carrier” as defined under the 1996 Act. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 1.

2. The allegations in Paragraph 2 do not require a response from BellSouth.

3. BellSouth admits the allegations in Paragraph 3.

4. BellSouth admits the allegations in Paragraph 4.

JURISDICTION

5. BellSouth admits that the Commission has jurisdiction over the unresolved issues that have properly been raised in the Petition. BellSouth also admits the remaining allegations in Paragraph 5.

⁶ 47 U.S.C. § 252(a).

NEGOTIATIONS

6. BellSouth admits the allegations in Paragraph 6.
7. The allegations in Paragraph 7 do not require a response from BellSouth, except that BellSouth admits that the document attached as Exhibit B is a draft of the interconnection agreement at issue, and that the agreed to and disputed language is accurately reflected except for Sections 1.5, 1.6 and 1.7 of Attachment 3 to the interconnection agreement. BellSouth hereby attaches as Exhibit A BellSouth's proposed language for Sections 1.5, 1.6 and 1.7 of Attachment 3.
8. Although BellSouth admits that Adelphia is requesting that the Commission approve Adelphia's proposed language as well as the language in the "draft" interconnection agreement (Exhibit B to the Petition) to which the parties have already agreed, BellSouth affirmatively asserts that the Commission should not do so. Instead, BellSouth requests that the Commission approve BellSouth's proposed language as well as the language in the "draft" interconnection agreement to which the parties have already agreed.

STATEMENT OF RESOLVED ISSUES

9. BellSouth admits the allegations in Paragraph 9 of the Petition.

STATEMENT OF UNRESOLVED ISSUES

ISSUE 1 (Attachment 3, Section 1.8 and 2.3)

Issue: *(A) May Adelphia charge its tariffed rates to BellSouth for leased facility interconnection; (B) If not, should the definition of Serving Wire Center preclude Adelphia from receiving symmetrical compensation from BellSouth for leased facility interconnection?*

10. BellSouth admits the first two sentences of Paragraph 10 of the Petition. BellSouth denies all other allegations contained in Paragraph 10 and notes that the Act requires Adelphia to "interconnect directly or indirectly with the facilities and equipment of other

telecommunications carriers” and to “establish reciprocal compensation arrangements for the transport and termination of telecommunications.” *See* 47 U.S.C. §§251(a)(1) and 251(b)(5).

11. BellSouth denies the allegations in Paragraph 11 of the Petition.

12. BellSouth denies the allegations in Paragraph 12 of the Petition. Contrary to Adelphia’s allegation, BellSouth agrees that symmetrical compensation should be provided when the services provided are equal. Adelphia, however, is not seeking symmetrical compensation. Effectively, Adelphia is asking BellSouth to subsidize Adelphia for the economic choices made by Adelphia. In its First Report and Order in Docket 96-325, the FCC states that the CLEC must bear the additional costs caused by a CLEC’s chosen form of interconnection: “a requesting carrier that wishes a ‘technically feasible’ but expensive interconnection would, pursuant to section 252(d)(1), be required to bear the cost of that interconnection, including a reasonable profit.” First Report and Order, ¶ 199. Further, at paragraph 209, the FCC states:

Section 251(c)(2) lowers barriers to competitive entry for carriers that have not deployed ubiquitous networks by permitting them to select the points in an incumbent LEC’s network at which they wish to deliver traffic. Moreover, because competing carriers must usually compensate incumbent LECs for the additional costs incurred by providing interconnection, competitors have an incentive to make economically efficient decisions about where to interconnect.

If Adelphia has chosen to install a single switch to serve an entire LATA, then Adelphia does not transport traffic between switches, as does BellSouth. Contrary to Adelphia’s contention, BellSouth’s proposal offers an identical rate structure for dedicated transport. Adelphia, like BellSouth, is entitled to receive compensation for the facilities used to perform the function for which the compensation is intended.

13. BellSouth admits that the manner in which Adelphia has elected to configure its network may impact the amount and type of compensation it receives for the exchange of traffic. BellSouth denies the remaining allegations in Paragraph 13, and denies any implication that

anything in the 1996 Act compels BellSouth to give Adelphia compensation to which it is not entitled.

14. BellSouth admits that the manner in which Adelphia has elected to configure its network may impact the amount and type of compensation it receives for the exchange of traffic. BellSouth denies the remaining allegations in Paragraph 14, and denies any implication that anything in the 1996 Act compels BellSouth to give Adelphia compensation to which it is not entitled.

15. BellSouth admits that the manner in which Adelphia has elected to configure its network may impact the amount and type of compensation it receives for the exchange of traffic. BellSouth denies the remaining allegations in Paragraph 15, and denies any implication that anything in the 1996 Act compels BellSouth to give Adelphia compensation to which it is not entitled. Further, BellSouth incorporates its response to Paragraph 12 above.

ISSUE 2 (Attachment 3, Sections 6.1.9 and 6.1.9.1)

Issue: *(A) Should BellSouth be permitted to define its obligation to pay reciprocal compensation to Adelphia based upon the physical location of Adelphia's customers? (B) Should BellSouth be able to charge originating access to Adelphia on all calls going to a particular NXX code based upon the location of any one customer? (Attachment 3, Sections 5.1.8 and 5.1.9)*

16. BellSouth denies the allegations in Paragraph 16. BellSouth does not seek to restrict Adelphia's ability to assign NPA/NXXs or to limit improperly the amount of reciprocal compensation to which Adelphia is entitled. BellSouth is indifferent to Adelphia's assignment of a telephone number to a customer who is physically located in a different local calling area than the local calling area where that NPA/NXX is assigned. Through its proposed language, BellSouth merely seeks to have the contract reflect the unremarkable principle that reciprocal compensation is due for the exchange of local traffic. See 47 U.S.C. § 251(b)(5). Plainly, Adelphia is seeking to impose reciprocal compensation obligations on the exchange of long

distance traffic. But, Adelphia's number assignment practices cannot be used to prevent the application of switched access charges to the exchange of long distance traffic. Moreover, Adelphia is not entitled to reciprocal compensation for the exchange of long distance traffic. Adelphia's focus on the costs associated with the exchange of traffic is misplaced. The application of switched access charges does not depend on the costs associated with the exchange of traffic. That determination is made based on the originating and terminating points of the calls.

17. BellSouth denies the allegations in Paragraph 17 and incorporates its response to Paragraph 16 above. Further, BellSouth avers that Adelphia appears to be attempting to undermine the FCC's long-established switched access structure.

18. BellSouth denies the allegations in Paragraph 18. Adelphia's assertion that assigning NXX codes located outside the physical area to which that code corresponds is the functional equivalent to BellSouth's own Foreign Exchange (FX) service would only be correct in the event that Adelphia configured its network in a manner whereby an end user in one exchange obtained dial tone from an exchange other than his local exchange (i.e., a foreign exchange). Given Adelphia's position that it not be required to mimic an ILEC's structure, it seems highly unlikely that this is the case. Contrary to Adelphia's assertions, BellSouth is not seeking to preclude any CLEC from offering competitive services, nor would BellSouth expect to receive reciprocal compensation from Adelphia where BellSouth terminates a call from an Adelphia end user to a BellSouth FX customer.

19. BellSouth denies the allegations in Paragraph 19. In a traditional FX service, the geographical rating points are retained for purposes of calculating interoffice transport mileage charges assessed to the FX end user customer. Moreover, BellSouth incorporates its responses to Paragraphs 16, 17 and 18.

20. BellSouth denies the allegations in Paragraph 20. Adelphia's discussion regarding billing of end users is misplaced. The issue Adelphia has presented in its Petition deals strictly with compensation that one carrier pays to another carrier. The resolution of this issue, therefore, will not affect the manner in which either party is permitted to charge its end users for the services provided by that party. Further, while the parties are in disagreement as to whether ISP bound traffic should be subject to reciprocal compensation, Adelphia is using this issue to expand its argument that all ISP bound traffic should be compensated as local, regardless of the physical location of the calling party and the ISP. Under the scenarios posed by Adelphia, Adelphia would be entitled to charge reciprocal compensation where an Adelphia ISP customer located in a distant state is assigned a local number in each local calling area of other states yet maintains only one server or modem bank. A call placed under such a configuration certainly cannot and should not be subject to reciprocal compensation.

21. BellSouth denies the allegations in Paragraph 21. Again, this issue has nothing to do with charges either party assesses to its end users.

22. BellSouth denies the allegations in Paragraph 22. Adelphia's scenario set forth in Paragraph 22, is, again, irrelevant because this issue involves inter-carrier compensation, not end user billing. Adelphia's factual assumptions set forth herein are speculative, and may not be true in any given situation.

23. BellSouth denies the allegations in Paragraph 23 and incorporates its response to Paragraphs 16 through 22 above. Adelphia is raising the specter of diminished competition and seeking to undermine long established state Commission and FCC switched access billing structures in an attempt to obscure its obvious goal of a higher profit margin at BellSouth's expense.

24. BellSouth denies the allegations in Paragraph 24 and incorporates its response to Paragraphs 16 through 22, above. Adelphia is raising the specter of diminished competition for “sparsely populated areas” and seeking to undermine long established state Commission and FCC switched access billing structures in an attempt to obscure its obvious goal of a higher profit margin at BellSouth’s expense.

ISSUE 3 (Attachment 3, Section 6.8)

Issue: *Should Internet Protocol Telephony be excluded from local traffic subject to reciprocal compensation?*

25. BellSouth denies the allegations in Paragraph 25. Further, Adelphia has misstated BellSouth’s position. BellSouth’s position is that calls where the originating and terminating end points are located in different local calling areas are not local calls and should not be subject to reciprocal compensation, regardless of the transport method used, including Internet Protocol.

26. BellSouth admits that Section 251(b) of the Act is intended to apply to compensation for transport and termination of local traffic. BellSouth denies the remaining allegations of Paragraph 26. Further, Adelphia’s claims that: (1) the switched access charge structure applies only where three or more carriers are involved; and (2) that reciprocal compensation is due on traffic which has been specifically exempted from access charges, have no basis in law or fact. It is the origination and termination points of a call – not the number of carriers involved in completing the call – that determine whether switched access charges are due.

27. BellSouth denies the allegations in Paragraph 27 and incorporates its response to Paragraph 26.

28. The Report to Congress by the Federal-State Joint Board on Universal Service, CC Docket No. 96-45 (April 10, 1998) speaks for itself. The Commission should, however, note

that the FCC's April 10, 1998 Report to Congress states: "The record... suggests... 'phone-to-phone IP telephony' services lack the characteristics that would render them 'information services' within the meaning of the statute, and instead bear the characteristics of 'telecommunication services.'" Given this statement by the FCC, it is logical to expect that the FCC believes that long distance phone-to-phone calls using IP Telephony are subject to applicable switched access charges. BellSouth admits that the FCC has not acted on US West's filing. BellSouth denies any remaining allegations in Paragraph 28 not specifically admitted herein.

29. BellSouth denies the allegations in Paragraph 29. BellSouth's position is simple: switched access charges should apply to any long distance telephone call regardless of whether Internet Protocol or some other transport technology is used for a portion of the call. However, BellSouth is not asking this Commission to determine whether switched access charges are due for calls subject to the jurisdiction of the FCC. BellSouth is asking the Commission to determine that such intrastate calls are subject to switched access charges. Alternatively, regardless of whether such calls are or are not exempt from switched access charges, such calls are not local calls for which reciprocal compensation is due and BellSouth requests the Commission to so decide.

30. BellSouth denies the allegations in Paragraph 30, and incorporates its response to Paragraph 29 above.

31. BellSouth denies the allegations in Paragraph 31, and incorporates its response to Paragraph 29 above.

32. BellSouth denies the allegations in Paragraph 32, and incorporates its response to Paragraph 29 above.

ISSUE 4 (Attachment 3, Section 6.1.1)

Issue: *Should the parties be required to pay reciprocal compensation on traffic originating from or terminating to an enhanced service provider, including an Internet Service Provider ("ISP")?*

33. BellSouth admits that it has proposed language which excludes from the definition of "local traffic" calls originating from or bound for enhanced service providers, including Internet Service Providers ("ISPs"). BellSouth also admits that this Commission previously decided that reciprocal compensation should not be due for ISP-bound traffic. BellSouth denies the remaining allegations in Paragraph 33. Reciprocal compensation should not apply to ISP-bound traffic. Based on the 1996 Act and the FCC's First Report and Order, reciprocal compensation obligations under 47 U.S.C. § 251(b)(5) apply only to local traffic. As the Commission is well aware, BellSouth does not agree that ISP-bound traffic is local traffic subject to reciprocal compensation. Adelphia has not provided any evidence to the contrary, therefore, BellSouth's position has not changed with respect to this issue in this proceeding.

34. BellSouth admits that on March 24, 2000, the United States Court of Appeals for the District of Columbia vacated the FCC's Declaratory Ruling and remanded the case to the FCC. The remaining allegations in Paragraph 34 are denied.

35. BellSouth denies the allegations in Paragraph 35.

36. The Order of the D.C. Circuit speaks for itself; therefore, allegations regarding the content of that Order require neither an admission nor a denial by BellSouth. BellSouth denies any implication that the Order has any impact on this Commission's prior decision that reciprocal compensation should not be due for ISP-bound traffic.

37. The Order of the D.C. Circuit speaks for itself; therefore, allegations regarding the content of that Order require neither an admission nor a denial by BellSouth. BellSouth denies any implication that the Order has any impact on this Commission's prior decision that reciprocal compensation should not be due for ISP-bound traffic.

38. The Order of the D.C. Circuit speaks for itself; therefore, allegations regarding the content of that Order require neither an admission nor a denial by BellSouth. BellSouth denies any implication that the Order has any impact on this Commission's prior decision that reciprocal compensation should not be due for ISP-bound traffic.

39. BellSouth denies the allegations in Paragraph 39, and affirmatively avers that the Commission should affirm its prior decision as to this issue in Docket No. 1999-259-C, Order No. 1999-690 (Oct. 4, 1999). BellSouth denies any implication that the Order has any impact on this Commission's prior decision that reciprocal compensation should not be due for ISP-bound traffic.

ISSUE 5 (Attachment 3, Section 6.1.5)

Issue: *Is BellSouth required to pay tandem charges when Adelphia terminates BellSouth local traffic using a switch serving an area comparable to a BellSouth tandem?*

40. BellSouth admits that Sections 251(b)(5) and 252(d)(2)(A) are quoted accurately in Paragraph 40. No further response is required of BellSouth.

41. BellSouth admits that the portions of FCC Rule 51.711(a), (a)(1) and (a)(3) set forth in Paragraph 41 are quoted accurately therein. BellSouth is unaware of whether the exceptions to Rule 51.711(a) are applicable to Adelphia, and therefore denies that the exceptions do not apply to Adelphia. All other allegations in Paragraph 41 are denied.

42. BellSouth denies the allegations in Paragraph 42. Contrary to Adelphia's statement of BellSouth's position, it is BellSouth's position that Adelphia should not be permitted to charge tandem rate elements unless it demonstrates to the Commission that: (1) its switch serves a geographic area comparable to that served by BellSouth's tandem switch; and (2)

its switch performs functions similar to those performed by BellSouth's tandem switch. Simply being capable of serving a comparable geographic area or performing tandem switching functions is not enough. Until Adelphia's switch is operational in South Carolina, Adelphia simply can not demonstrate that it is entitled to the tandem switching rate.

NEW MATTER

ISSUE 6 (Attachment 3, Sections 1.5, 1.6 and 1.7)

Issue: How should the parties define the Points of Interface for their networks?

BST position: The parties shall mutually agree upon Points of Interface. In the event that the parties cannot agree to a mutual Point of Interface, each party should designate its own Point of Interface for its originating traffic.

Adelphia position: While Adelphia and BellSouth have discussed this issue, Adelphia is still reviewing BellSouth's position.

43. It is unclear whether the parties agree on this issue. Out of an abundance of caution, and pursuant to Sections 252(b)(3) and 252(b)(4)(A) of the Act, BellSouth submits this issue to the Commission for arbitration.

44. Neither the Act nor the FCC rules allow a CLEC to choose the Points of Interface for an ILEC. Allowing each party to choose its own Point of Interface allows each party to choose points based on economic and technical efficiency.

REQUEST FOR RELIEF

45. BellSouth concurs in Adelphia's request that the Commission arbitrate the unresolved issues between Adelphia and BellSouth contained in sub-Paragraph A. BellSouth also concurs in Adelphia's request that the Commission retain jurisdiction of the arbitration until the parties submit an agreement for approval in accordance with Section 252(e) of the Act contained in sub-Paragraph C. BellSouth denies that any further action by this Commission as

set forth in the Request for Relief is warranted, and BellSouth further affirmatively requests that the Commission resolve the issues in accordance with the recommendation made by BellSouth.

46. Any allegations not specifically admitted are hereby denied.

BellSouth requests that the Commission arbitrate the issues set forth in Adelphia's Petition and adopt BellSouth's position on each of these issues.

Respectfully submitted, this 3rd day of November, 2000.



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233839

ATTACHMENT 1
Issues for Arbitration between Adelphia and BellSouth
SCPSC Docket No. _____

	Issue	Adelphia Position	BellSouth Position
1A.	May Adelphia charge its tariffed rates to BellSouth for leased facility interconnection? (Attachment 3, Sections 1.8 and 2.3)	As an ILEC, BellSouth is required pursuant to Section 252(d)(1) of the Act to provide interconnection to CLECs based on cost plus a reasonable profit; these restrictions do not apply to CLECs such as Adelphia, which may charge out of their tariffs.	Adelphia and BellSouth should charge identical rates for their respective interconnection facilities.
1B.	If not, should the definition of Serving Wire Center preclude Adelphia from receiving symmetrical compensation from BellSouth for leased facility interconnection? (Attachment 3, Sections 1.8 and 2.3).	Alternatively, if Adelphia is required to charge identical rates to those charged by BellSouth for leased facility interconnection, Adelphia should be compensated in a symmetrical manner, and should be compensated for the Dedicated Interoffice Transport facility (which is rated on a per-mile basis) despite the proposed definition of Serving Wire Center in the Agreement.	Serving Wire Center should be defined by reference to the wire center from which one party would normally obtain dial tone for its IP.
2A.	Should BellSouth be permitted to define its obligation to pay reciprocal compensation to Adelphia based solely upon the physical location of Adelphia's customers? (Attachment 3, Sections 6.1.9 and 6.1.9.1).	Historically, calls were determined to be local or interexchange based upon the NXX of the originating and terminating number, not the location of the customer assigned a particular number. This practice should be continued such that calls between an originating and terminating NXX, associated with the same local calling area, should continue to be rated as local, regardless of where the terminating customer's premises may be located.	BellSouth should not be required to pay reciprocal compensation for any call terminating to a customer who is physically located outside of the local calling area where the call originates.

		Under any scenario, the only costs BellSouth incurs are the transport and switching charges required to bring traffic to the IP between BellSouth and Adelphia and these costs do not change based upon the location of Adelphia's customers.	
2B	Should BellSouth be able to charge originating access to Adelphia on all calls going to a particular NXX code based upon the location of any one customer?	BellSouth should not be allowed to charge Adelphia originating access for all calls to a whole NXX code based upon the location of any single customer with a telephone number in that NXX code.	BellSouth should further be allowed to impose originating access charges on all calls going to a NXX code where BellSouth cannot identify the traffic that Adelphia is delivering to customers located outside the local calling area.
3.	Should Internet Protocol Telephony be excluded from local traffic subject to reciprocal compensation? (Attachment 3, Section 6.8).	No. BellSouth's exemption would, for the first time, classify calls delivered through Internet Protocol methods as a third category of traffic for which no compensation would be due.	Yes. Such calls are not local calls and, therefore, are not subject to reciprocal compensation. Such calls are long distance calls which should be subject to switched access.
4.	Should the parties be required to pay reciprocal compensation on traffic originating from or terminating to an enhanced service provider, including an Internet Service Provider ("ISP")? (Attachment 3, Section 6.1.1)	The parties should compensate one another at the reciprocal compensation rates for traffic originating from or terminating to an enhanced service provider, including an ISP, just as they would for any other local call.	Traffic originating from or termination to an enhanced service provider, including an ISP, is not local traffic and should not be subject to reciprocal compensation.
5.	Is BellSouth required to pay tandem charges when Adelphia terminates BellSouth local	Yes. When an Adelphia local switch covers a geographic area comparable to the area served by a BellSouth tandem, Adelphia is entitled to charge	Adelphia must demonstrate to the Commission that (1) its switch serves a comparable geographic area and (2) the switch performs functions similar

	traffic using a switch serving an area comparable to a BellSouth tandem? (Attachment 3, Section 6.1.5).	BellSouth the tandem rate, meaning the rate for tandem switching, transport and end office switching.	to those performed by BellSouth's tandem switch. Simply being capable of serving a comparable geographic area or of performing tandem switching functions is not sufficient evidence.
6.	How should the parties define the Points of Interface for their networks?	Adelphia has not yet presented its position on this issue.	Each party should unilaterally designate its own IPs for its originating traffic.

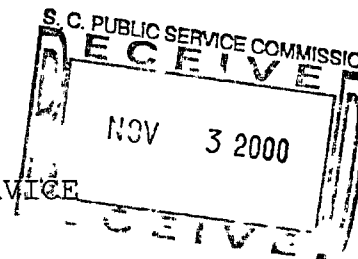
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Exhibit A

- 1.5 The **Point of Interconnection** is the point at which the originating Party delivers its originated traffic to the terminating Party's first point of switching on the terminating Party's common (shared) network for call transport and termination. Points of Interconnection are available at either Access Tandems, Local Tandems, or End Offices as described in this Agreement. Adelphia's requested Point of Interconnection will also be used for the receipt and delivery of transit traffic at BellSouth Access and Local Tandems. Points of Interconnection established at the BellSouth Local Tandem apply only to Adelphia-originated local, ISP-bound, and local originating and terminating transit traffic.
- 1.6 The Parties shall make available to each other one-way and two-way trunks for the reciprocal exchange of combined local, ISP-bound and intraLATA toll traffic. A minimum of one Point of Interface shall be established in each LATA in which Adelphia originates or terminates local traffic or delivers ISP-bound traffic and interconnects with BellSouth.
- 1.7 The location of the Point of Interface shall be established by mutual agreement of the Parties. In selecting the Point of Interface, both Parties will act in good faith and select the point which is most efficient for both Parties. Each Party shall be responsible for engineering and maintaining the network on its side of the Point of Interface. If the Parties are unable to mutually agree upon a Point of Interface, each Party will designate the Point of Interface for its originated traffic.

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

CERTIFICATE OF SERVICE



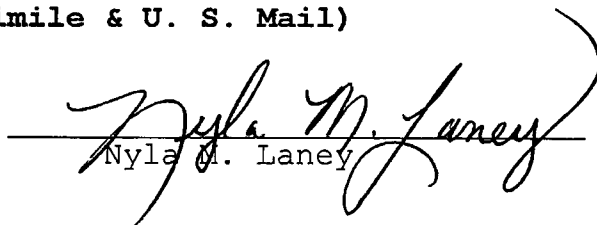
PERSONALLY APPEARED before me, Nyla M. Laney, who, being duly sworn, deposes and says that she is employed by the Legal Department for BellSouth Telecommunications, Inc. and that she has caused BellSouth Telecommunications, Inc.'s Response to Petition of Adelphia Business Solutions of South Carolina, Inc. for Arbitration and New Issue to be served this November 3, 2000 by the method indicated below each addressee listed:

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Nyla M. Laney